GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4060
ANSWERED ON:18.08.2000
LOAN ASSISTANCE TO ORISSA
BIKRAM KESHARI DEO

Will the Minister of FINANCE be pleased to state:

(a) the total Central loan assistance provided to the Government of Orissa till the financial year ending 1999-2000;

(b) whether the Government of Orissa has represented to the Union government and the Eleventh Finance Commission to waivethe 1700 crores Central loan assistance in view of the Super Cyclone and the chronically drought affected area of the KBK districts;

(c) if so, the details thereof;

(d) whether the interest burden to the tune of 2000 crores which is to be paid every year for which the State Government of Orissa has also represented to the Union Government for making a moratorium of three years for payment of the same; and

(e) if so, the action taken or proposed to be taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) Central loan provided to the Government of Orissa by the Ministry of Finance under Plan assistance, during the year 1999-2000 is Rs. 86017.15 lakhs.

(b)to(e) : Representations to the Finance Commission, aresubmitted directly by the State Governments, to the Commission.The Eleventh Finance Commission has not recommended anyspecific debt waiver to Orissa in view of the Super Cycloneand the chronically drought affected area of the KBK districts. However while recommending their award to the State, the Commission would have taken into account the requirement of the State keeping in view their debt burden and resource availability in the post scenario of the Super cyclone.
Government of India has received request from the State Government for waiver of certain repayment liabilitieson Central loans payable during 2000-01 and phasing out of loan burden payable in 2000-01. The Government of India has re-phased the repayment of loan and payment of interest for the months of November,1999 to March, 2000, for recovery in two years with a moratorium of six months, with the first instalment of recovery commencing from October, 2000.